CARB Previews Proposed SB 253 Reporting Requirements for 2027 and Beyond

July 28, 2026

On July 21, 2026, the California Air Resources Board ("CARB") hosted a virtual public workshop to discuss the implementation of California's Corporate Greenhouse Gas Reporting Program under the Climate Corporate Data Accountability Act (SB 253), as amended by SB 219 and codified in Health and Safety Code § 38532. The workshop focused primarily on proposed regulatory concepts for GHG reporting in 2027 and beyond, including CARB staff's proposed approach to Scope 3 reporting beginning in 2027. CARB also provided an update on its initial regulation package relating to reporting in 2026, which CARB withdrew after submitting it to the Office of Administrative Law.

The recording of the workshop and presentation slides are available here.

Update on SB 253 reporting in 2026. As we have previously discussed, CARB withdrew the initial regulation to make limited clarifying changes and proposed moving the first Scope 1 and Scope 2 reporting deadline from August 10 to November 10, 2026. CARB has posted a Notice of Public Availability of Modified Text and the 15-day public comment period ends on August 11, 2026.

In addition to updating the initial regulation, CARB announced plans to share additional guidance materials to support reporting in 2026. These materials are expected to include a voluntary online intake platform for submitting GHG emissions and fee contact information and an accompanying guidance document and instructional video.

SB 253 reporting beginning in 2027. CARB devoted much of the workshop to describing proposed regulatory concepts expected to appear in its forthcoming rulemaking for reporting in 2027 and beyond, including:

- *Reporting Deadline*. CARB plans to propose an annual reporting deadline of November 10 for all required GHG emissions disclosures.

- *Methodology Disclosures*. Companies would be required to disclose the methodology used to calculate GHG emissions, including the consolidation approach for organizational boundaries, Global Warming Potential values and assessment report vintage, emission factor sources for all calculations with key attributes, and quantification method (e.g., direct measurement or calculation-based method), including any process-specific tools or models used.

- *Measurement Uncertainty*. Companies would be required to assess the uncertainty associated with the quantification methodologies used to calculate GHG emissions, including a qualitative or quantitative explanation, as appropriate.

- *Missing Data and Substitutions*. Companies would be required to identify missing data elements or parameters and document any substitute data sources or estimation methods used to quantify GHG emissions in place of the missing data.

- *Emissions Reductions and Removals*. Companies would be permitted to report voluntary investments (e.g., carbon credits, offsets), management activities or other activities that result in fossil or biogenic emissions reductions or removals. Any such voluntary investments or activities would need to be reported separately from Scope 1, 2 and 3 emissions.

- *Recalculating Prior Year Data*. Companies that change their GHG emissions calculation methodologies due to corporate restructuring or accounting changes would be required to determine whether the cumulative effect of those changes would result in a change greater than 5% of their total GHG emissions for the base year. If so, GHG emissions would be required to be recalculated for all affected previous reporting years, and the updated emissions data for those years would be required to be included in the next annual GHG emissions report along with a description of the changes that led to the recalculation.

- *Scope 2 Reporting*. Companies would be required to disclose Scope 2 GHG emissions by source type and constituent gas. Scope 2 inventories and emissions would be required to be calculated and reported using both market-based and location-based methods.

- *Scope 3 Reporting*. To ease compliance burdens and phase in Scope 3 reporting, CARB staff proposed initially requiring reporting on five commonly reported categories of Scope 3 GHG emissions: purchased goods and services (Category 1); fuel- and energy-related activities (Category 3); waste generated in operations (Category 5); business travel (Category 6); and employee commuting (Category 7). For each Scope 3 category reported, companies would disclose the category name and number; included activities, methods and data types; total metric tons of CO2e, excluded emissions; and the percentage calculated using supplier or value-chain primary data.

- *Biogenic Emissions*. Companies would be required to report, separately from Scope 1, 2 and 3 GHG emissions, biogenic CO_2 emissions from the combustion, consumption or biodegradation of biomass and biomethane.

- *Assurance Requirements*. Companies would be required to obtain limited assurance for Scope 1 and 2 GHG emissions, including biogenic emissions, beginning in 2027. The assurance provider would be required to issue and submit a written report that identifies the assurance standard applied and the level of assurance provided, the Scope 1 and Scope 2 emissions covered by the engagement, the legal name of the organization that conducted the assurance engagement and contact information for the assurance provider.

- *Insurance Companies*. The initial regulation exempted insurance companies from 2026 GHG emissions reporting to avoid duplication with GHG reporting requirements imposed by the California Department of Insurance ("CDI"). At the workshop, CARB staff noted that CDI reporting may not satisfy SB 253 beginning in 2027 because it does not include Scope 3 emissions or assurance requirements. CARB staff therefore proposed allowing an insurance entity, beginning in 2027, to use the same report to satisfy both CDI (or other state insurance regulator) and SB 253 requirements if the report satisfies SB 253; otherwise, the entity would need to supplement its insurance-regulator report.

Next steps. CARB's release of proposed regulations for GHG emissions reporting in 2027 and beyond will initiate a formal rulemaking process, including a 45-day public comment period before the proposed regulation is submitted to the CARB board for approval.

CARB also announced a series of six "listening sessions" between August 5, 2026 and September 9, 2026 to gather feedback from different industries. Registration details will be forthcoming and interested parties can sign up for updates here.

We will continue to monitor these and related developments and will provide future updates.

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Please do not hesitate to contact us with any questions.

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